



# Medicaid in Schools

<http://www.doe.in.gov/exceptional/speced/medicaid.html>

## Special Interests

### MEDUCAID NEWS

- Medicaid-required Referrals for IEP Services
- Billing for School-based Clinic vs IEP Services
- IEP Transportation Policy Clarification

### Check It Out Online! The latest Medicaid ...

Tool Kit: **March 29, 2011**

Billing Guide: **July 2011**

Reimbursement Report:  
SFY2011–6/30/2011

SAMS: **July 29, 2011**

Learning Connection:  
IDOE Medicaid in  
Schools Community  
Announcements, Files &  
Bookmarks, Forum and  
Events Calendar.

### Coming Soon...

Update: IDEA regulation  
requiring Parental Con-  
sent to Bill Medicaid for  
Services in an IEP

## Indiana Medicaid Home Health/Private Duty Nursing Coverage Limitations

On June 14, 2011, the Indiana Medicaid agency published a reminder of its longstanding policy restricting coverage of home health care, including private duty nursing, to only those services provided in the patient's home. *On August 24, 2011, Indiana Medicaid announced that, pending further policy review, Medicaid managed care contractors will continue to prior authorize and pay for a nurse or home health aide to provide medically necessary services to children in the school setting.*

Apparent inconsistencies in enforcement of this Medicaid policy may be due in part to the federal "EPSDT" mandate requiring state Medicaid agencies to pay for any service that is medically necessary for a child under 21 years of age, regardless whether that service is covered under the Medicaid State Plan. The "Early and Periodic Screening, Diagno-

sis & Treatment" program promotes early, more cost-effective service delivery for medical conditions that can impact Medicaid members' long-term health.

Indiana Medicaid intends to conduct research, meet with stakeholders and review impacts to students with disabilities before issuing further guidance concerning this home health coverage rule. **Please note: this issue is unrelated to and does not change Indiana Medicaid's rule permitting schools to claim Medicaid reimbursement for IEP-required nursing services provided by an R.N.**

For more detailed information and any available updates concerning this topic, please review related announcements as they are posted and archived in the IDOE Special Ed Directors and Medicaid in Schools communities on the Learning Connection.

## IndianaMAC Implementation Oct 2011

Oct 1 - Dec 31, 2011 will be the initial quarter of a new Medicaid claiming opportunity available to Indiana public school corporations, charters and state schools (ISD and ISBVI). In coordination with Indiana Medicaid, IDOE, with technical support from PCG, will

oversee the "IndianaMAC" program, which allows schools to claim federal funds for activities that help students and families identify, apply for and access health coverage and health care. E-mail [inmac@pcgus.com](mailto:inmac@pcgus.com) or [tbrunner@doe.in.gov](mailto:tbrunner@doe.in.gov) for details.

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### Did you know?

- One in six Hoosiers is covered by Medicaid or another Indiana Health Coverage Program; one in 13 Indiana children is uninsured; and, Annie E. Casey Foundation reports 20% of Indiana children live in poverty.
- Citing increased caseloads and class sizes, layoffs, furloughs, hiring freezes and cuts, responses to Council for Exceptional Children's national survey show the U.S. economy is affecting services in schools.
- July 25, 2011 marked the 21st anniversary of the Americans with Disabilities Act (ADA).

### In future issues:

IEP Transportation  
Q&A

Medical Service  
Logging in IIEP

## Medicaid in Schools



As providers of IEP Transportation services, participating school corporations must follow Medicaid billing guidelines



Clinic vs IEP Service



### Medicaid Referral Requirements for IEP Services

For nursing care, therapies, audiology and mental health services billed to Medicaid, federal law requires a written referral from a licensed practitioner of the healing arts with practice act authority to write such a referral. In the case of *nursing* and *psych\* services*, Indiana's policy is slightly more restrictive, requiring a written order/referral from a *physician*, which Indiana Medicaid rules describe as an M.D. (medical doctor) or D.O. (Doctor of Osteopathy).

Medicaid-participating school corporations must maintain documentation of the required written referral for all IEP services billed to Medicaid. If an IEP is revised to include services not reflected in the original order/referral, a new order is needed before the added services are billed to Medicaid. For example, the student has a referral for speech evaluation, and the student's IEP includes the speech evaluation and consultation once per month.

The school bills Medicaid for the evaluation (consultation is not a covered service).

Subsequently, the case conference committee revises the IEP to include speech therapy once per week. To claim reimbursement, the school needs an order dated prior to any speech therapy service dates billed for this student. More details are available in the online [Medicaid Billing Tool Kit for IEP Services](#) at the [IDOE School-based Medicaid Web page](#).

**\*Editor's Note: correction—In Indiana, an HSPP or physician can write a psych referral.**

### Medicaid agency clarifies IEP Transportation Guidelines

When a school's billing agent asked if Medicaid's "multiple passenger" policy applied to schools' claims for IEP Transportation Services, the Medicaid agency clarified: Medicaid-participating school corporations must follow ALL but four Medicaid transportation policy guidelines. The four

policies from which schools' IEP Transportation services are exempt are listed in **Medicaid's IEP Transportation policy bulletin**, [BT2001108](#). This IEP Transportation policy notes schools must follow all other guidelines in Transportation bulletin [#BT200505](#). All Medicaid policy bulletins are

available online at <http://provider.indianamedicaid.com/>. Check the Learning Connection for copies of Medicaid bulletins related to school-based services; see the Indiana Medicaid Provider Bulletin folder at the Medicaid in Schools Community, Files and Bookmarks Tab.

### Claiming for School Clinic versus IEP Services

Occasionally, the IDOE receives inquiries from local schools interested in billing Medicaid for primary and preventive care services provided in school-based health clinics. To bill for clinic and other primary or preventive care, a school-based or school-linked clinic must enroll as an Indiana Medicaid Provider and obtain a unique Medicaid provider ID number, which is separate from the one used by the school corporation to bill for IEP services.

IEP services are exempt from

federal and state rules that preclude Medicaid from covering services available at no cost to the "patient." Additionally, all providers of Medicaid services must pursue payment from any third party resource (insurance) that is available to pay for the service. While the majority of insurance policies specifically exclude coverage for IEP services, clinic services must first be billed to the parent's or other insurance available to pay for the child's care.

Schools with on-site or school-

linked clinics often partner with local hospitals or other established Medicaid provider networks in their community to bring services into the school. In such arrangements, schools often donate space, electricity, phone and internet. The community partner typically lists the school as an additional service location and supplies staff, equipment, health care services and medical billing. The National Association for School-based Health Care Web site offers a ["Road Map"](#) and other help with setting up school-based clinics.

## Medicaid in Schools

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[HTTP://WWW.DOE.IN.GOV/  
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MEDICAID.HTML](http://www.doe.in.gov/exceptional/speced/medicaid.html)

The Indiana Department of Education provides technical assistance to Medicaid-participating public school corporations and charter schools. The Department also offers insight and information to schools interested in Medicaid claiming opportunities. Please visit the Department's Web site for free, downloadable handbooks, brochures, form templates, reports, quarterly newsletters, slide presentations and other resources. At left is a link to IDOE's School-based Medicaid Web page, along with contact information for IDOE staff who can answer questions and provide additional information about federal Medicaid matching funds available for school-based services and activities. All are welcome to become members of the IDOE Medicaid in Schools Community on the Learning Connection. Contact your school corporation's Learning Connection administrator for access.



### Conference Connections — Medicaid & Special Education

**Indiana Council of Administrators of Special Education, Fall ICASE — Sept 28-30, 2011, Indpls Marriott East**  
<http://www.icase.org/>

**National Alliance for Medicaid in Education, Inc — Oct 11-14, 2011, Hotel Albuquerque, Albuquerque, NM**  
<http://medicaidforeducation.org/>

### Across the Nation

**Indiana in national spotlight:** IDOE staffer John Hill serves as the Chair of the National Alliance for Medicaid in Education (NAME, Inc.) Governmental Affairs Committee and is working together with other organizations to educate policymakers about administrative burdens associated with an IDEA regulation requiring parental consent to bill Medicaid for services in an IEP. Along with other stakeholders, John met this summer with staff from the U.S. Department of Education's Office of Special Education and Rehabilitative Services (OSERS and OSEP) and the Centers for Medicare and Medicaid Services (CMS) to help build consensus on how to resolve this problem. John continues to collaborate with other national organizations (CASE, CEC, NASDSE, AASA, NASBHC and others) on a unified response to this

regulation's negative impact on families and schools. Watch for updates on this issue in the IDOE Learning Connection Medicaid in Schools Community and future Medicaid in Schools newsletters.

On July 21, 2011, the Indianapolis Star reported on a Boone County family's trip to the White House to discuss Medicaid coverage for children with special health care needs. The White House invitation, extended through the Family Voices organization, encouraged families to share real-life stories about the Medicaid program's importance in maintaining the health of children with disabilities. The article stresses that Medicaid is a vital resource not only to families with low incomes but also to those whose special health care needs can lead to medical costs-related bankruptcy.

